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Did You  
Know  
That..



Multiple  
Crop  
Insurance  
Protects  
Your Crop  
Investments

## CROP INVESTMENT PROTECTION

A Federal Multiple Crop Insurance policy provides the protection that farmers have been needing and wanting since they began to realize the amount of investment required for successful crop production. It insures the investment in the production of several crops against loss from the many unavoidable production risks that man cannot control . . . the crop disasters that weather, insects, and plant diseases can cause regardless of how much money the farmer spends on modern farming methods and materials. It is a "money-back" guarantee if crop disaster strikes. . . . And crop disaster can strike any farm, any year. . . . It may not, but it can. This "all-risk" protection can be provided at a surprisingly low cost if you have already reduced your investment risk through diversified farming.

## A BUSINESS PROPOSITION

Multiple Crop Insurance is a business proposition with the farmer paying a premium for protection and collecting an indemnity when his insured crops are destroyed or so severely damaged that they do not return the amount for which he is protected.

The applicant is issued a Multiple Crop Insurance policy which will continue in force until canceled by him or the Corporation. The insured may cancel his policy any year before the deadline date specified in the policy. The policy continues in force at the insured's decision and saves the many farmers who recognize the value of protecting their crop investments every year the bother of making a new application each year.

This protection is available to most producers, including landlords, who apply. Some land and a few producers are not eligible due to the risk involved.

*Act Now*

Get complete details

## INSURANCE UNITS

While one policy covers all the insurable acreage in the county in which the insured has an interest at the time of planting, this acreage may involve more than one insurance unit.

Losses are settled separately on each insurance unit.

The policyholder's insurable acreage is divided into insurance units on the basis of who shares in the production. However, if you have more than one insurance unit, you have the option of combining your acreage into one insurance unit which will reduce the cost of your protection. When you apply you must elect whether you wish to combine your units. Many producers will want to combine their units in order to obtain the basic investment protection provided by Multiple Crop Insurance at the lowest possible cost.

## AMOUNT OF PROTECTION

The amount of protection for an insurance unit is determined by the number of acres planted to insurable crops on the unit and the coverage per acre that has been established for the insured acreage.

There is *one total coverage* for the acreage of all insurable crops on an insurance unit.

For most crops there are only two stages of coverage with the first stage applying only to acreage that is released by the Corporation and planted to a substitute crop by the insured. If an insured producer plants an insurable substitute crop, he will increase his coverage by revising his reported acreage to include the crop. For a few crops there are three stages of coverage under the Multiple Crop Insurance policy's protection.

## PREMIUM

The cost of the protection is also determined by the number of acres planted to insurable crops and the policyholder's share in the crops.

The policyholder reports the acreage planted to the insurable crops promptly after seeding. He will receive a 5 percent discount if he pays his premium before the discount deadline established for the county.

Multiple Crop Insurance protection is provided at a very low premium. The more diversification between crops, the lower the premium.

A crop insurance premium is a part of the farm operating costs just the same as seed, fertilizer, land preparation, seeding, etc. It is deductible as an operating expense for income-tax purposes. The crop insurance premium protects these production costs against loss from unavoidable production risks.

## INDEMNITIES

An indemnity is due the insured when, due to loss from unavoidable causes, the value of the production of the insured crops on an insurance unit, based on the predetermined prices in the policy for the insurable crops, is less than the insured protection. Quality protection is provided for most crops under the policy. Production of crops with quality protection that will not meet CCC loan or support standards will be valued at a fair market value instead of the predetermined price.

Losses are paid promptly by Government check. The insured is required to report any material damage to insured crops promptly after it occurs. When a loss is not evident until harvest, it must be reported within 15 days after the completion of harvest.

## **YOUR OPPORTUNITY AND YOUR PROGRAM**

As a progressive farmer, you will want "All-Risk" Federal Crop Insurance protection to guarantee the return of your investment if what can happen does happen to your crops this year or any year.

You will recognize that your premium underwrites your other operating expenses against crop catastrophes that you hope will never strike your farm.

Federal Crop Insurance is provided through the Government, since this needed all-risk protection is not otherwise available to farmers. It operates on a nonprofit basis with premium rates established to cover losses paid over a period of years. These rates will be adjusted periodically by the actual loss experience in the county. Congress provides the administrative expenses of this program so crop insurance is available to you at less than cost.

In effect the farmers in a county build their own crop insurance business. They are not expected to pay more than the cost of their protection. Good experience results in lower-cost protection.

**UNITED STATES  
DEPARTMENT OF AGRICULTURE  
The Federal Crop Insurance Corporation**



## CROPS UNDER THE OPEN SKY ARE SUBJECT TO MANY RISKS

No crop grows under the open sky without risk of loss from many unavoidable production hazards that man cannot control. Man can't stop or start the rain, hail, wind, frost, etc. . . . He can't eliminate all plant diseases or be sure that he can control all insect pests. . . . He doesn't even know all the things that can destroy his crops. There are still unavoidable causes of loss that can occur for the first time to man's knowledge just like there are farmers who can have a crop disaster for the first time within their farming experience. Where crop disasters strike, they destroy crops without regard for the farmer's ability.

Federal Crop Insurance protects against the unknown—the many production risks that can destroy crops on any farm any year. They may not, but they can. It is protection against what might happen to your investment in crop production . . . and does happen to many every year.

It is just common sense and good business to protect what you invest. If you have a Federal Multiple Crop Insurance policy, you will have a more stable farming operation whether your investment is profit from previous years or money borrowed from the bank. With a small increase in your operating costs, you can protect your investment.